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THE MARYLAND HOUSE OF DELEGATES  
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**HB 1284 - "Tax Modernization Act" Bill Summary**

1. Inheritance Tax Exemption Benefiting DC Nonprofits - Tax General 7-203(e)(2):  
Deletes inheritance tax exemption for donations to nonprofits doing substantial business in **DC** (leaves MD).
2. Sales Tax Exemption for Vending Machine Junk Food - Tax General 11-206(g):  
Deletes sales tax exemption for vending machine **junk food** (leaves existing healthy food exemption).
3. Tax Credits for Film Production Activities - Tax General 10-730(f)(2):  
Deletes rollover of unused film tax credits at year's end (**use it or lose it** to General Fund).
4. Inheritance Tax Exemption for Probate Assets - Tax General 7-203(j):  
Deletes inheritance tax exemption for gains on **probate assets** earned after death of decedent.
5. Tax Credits for Gasoline Dealers - Tax General 9-315:  
Deletes **gasoline dealer**/fuel seller tax credit.
6. Tax Credits for Defense Contracts - Economic Development 6-703(c)(2)  
Makes Aerospace, Electronics & Defense Contract tax credits in excess of taxes due **non-refundable**. Instead, any excess can be rolled over to future taxes until they're exhausted.
7. Tax Credits for Security Clearances & SCIFs - Tax General 10-732(b):  
Limits tax credits for security clearance administrative costs and SCIF construction/equipment to **small businesses** (as defined by § 7-218).
8. Tax Credits for Cybersecurity Investment - Tax General 10-733(d)(3) & Tax General 10-733(f)(3)(iii)(2):  
Makes cybersecurity tax credits in excess of taxes due **non-refundable**. Instead, any excess can be rolled over to future taxes until they're exhausted. Also deletes rollover of unused cybersecurity investment tax credits at year's end (**use it or lose it** to General Fund).
9. Sales & Use Tax Exemption for Lockheed Martin Conference Center - Tax General 11-231:  
Deletes sales & use tax exemption for rooms/lodgings at **Lockheed Martin** conference center.
10. Tax Credits for Tractor-Trailers - Tax General 10-734.1(b)  
Limits tax credits for tractor-trailers to individuals and **Maryland-headquartered** corporations.

11. Sales Tax Exemption for Making Concrete - Tax General 11-210(a):

Deletes sales tax exemption for machinery, equipment and fuel to make **concrete**.

11. Sales Tax Exemption for Retail Bakery Equipment - Tax General 11-210(c):

Deletes sales tax exemption for **baking equipment** with a sales price over \$2000.

12. Sales Tax Exemption for Coins & Bullion - Tax General 11-214.1:

Delete sales and use tax exemption for **bullion & coins** with a sales price over \$1000.

13. Sales Tax Exemption for Warehousing Equipment - Tax General 11-232:

Deletes sales tax exemption for **warehousing equipment**.

14. Tobacco Tax Exemption - Tax General 12-104(3)(i):

Reduces allowance for **out-of-state cigarettes** from 5 cartons to 1 carton.

15. Tax Credits for Jobs - Economic Development 6-403(f)(2)(ii) & Economic Development 6-403(f)(3)(ii)

Makes One Maryland tax credits in excess of taxes due **non-refundable**. Instead, any excess can be rolled over to future taxes until they're exhausted.

16. Tax Credits for Manufacturing Jobs - Tax General 10-741(d)(3)(iii)(2):

Makes More Jobs for Marylanders tax credits in excess of taxes due **non-refundable**. Instead, any excess can be rolled over to future taxes until they're exhausted.